

Message Text

UNCLASSIFIED

PAGE 01 STATE 212146
ORIGIN ARA-14

INFO OCT-01 ISO-00 L-03 AGRE-00 CIAE-00 COME-00 EB-08
INR-07 LAB-04 NSAE-00 SP-02 STR-04 TRSE-00 FRB-01
OMB-01 SIG-02 IO-14 SS-15 NSC-05 /081 R

DRAFTED BY ARA/ECP: W BURSON;EMA
APPROVED BY ARA: A TODMAN

-----098829 040832Z /12

R 032109Z SEP 77

FM SECSTATE WASHDC

TO ALL AMERICAN REPUBLIC DIPLOMATIC POSTS

UNCLAS STATE 212146

E.O. 11652:N/A

TAGS:ETRD,XM

SUBJECT:JOINT DIPLOMITIC NOTE ON SUGAR

1. TEGUCIGALPA PASS QUENTIN WEST, U S DELEGATION TO
AGRICULTURE CONFERENCE.

2. AMBASSADORS, OR CHARGE, OF NINETEEN LATIN AMERICAN AND
CARIBBEAN COUNTRIES JOINTLY CALLED ON ASSISTANT SECRETARY
TODMAN SEPTEMBER 2 TO PRESENT DIPLOMATIC NOTE ON SUGAR.
SIGNATORIES INCLUDED THE FOLLOWING: ARGENTINA, BARBADOS,
BOLIVIA, BRAZIL, COLOMBIA, COSTA RICA, DOMINICAN REPUBLIC
ECUADOR, EL SALVADOR, GUATEMALA, HAITI, HONDURAS,JAMACIA
MEXICO, NICARAGUA, PANAMA,PERU, TRINIDAD AND TOBAGO,
VENEZUELA.

3. BEGIN TEXT OF NOTE: WE HAVE THE HONOR TO INFORM
YOUR EXCELLENCY THAT OUR GOVERNMENTS HAVE LEARNED THAT
THE CONGRESS OF THE UNITED STATES OF AMERICA HAS CONSIDER-
ED ENACTMENT OF A LAW INTENDED TO CREATE A PROGRAM WHICH
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 212146

WOULD ASSURE THIS COUNTRY'S SUGAR PRODUCERS A PRICE OF NOT
LESS THAN 13.5 CENTS PER POUND AND, IN ADDITION, PROVIDE
FOR THE IMPOSITION OF SPECIAL TARIFFS OR A QUANTITATIVE
RESTRICTION ON UNITED STATES SUGAR IMPORTS.

IN VIEW OF THESE CIRCUMSTANCES, WE SHOULD LIKE TO
POINT OUT THAT THE SUGAR PRODUCTION OF THE COUNTRIES

WHICH WE REPRESENT IS AN IMPORTANT FACTOR IN THEIR ECONOMIES, AND THAT THESE COUNTRIES' PRODUCERS ARE CURRENTLY FACING THE SAME PROBLEM AS THOSE OF THE UNITED STATES OF AMERICA WHEN THEY SELL THEIR PRODUCTS AT PRICES BELOW PRODUCTION COSTS. WE CONSIDER, THEREFORE, THAT ANY RESTRICTION IN ADDITION TO CURRENT ONES ON SUGAR IMPORTS BY THE UNITED STATES WOULD ONLY AGGRAVATE THE PROBLEM AND CAUSE SUBSEQUENT DEPRESSIONS IN THE WORLD SUGAR MARKET.

MOREOVER, IT SHOULD ALSO BE TAKEN INTO ACCOUNT THAT NEGOTIATIONS ON THE NEW INTERNATIONAL SUGAR AGREEMENT ARE TO COMMENCE ON SEPTEMBER 12, 1977 IN GENEVA, AND THAT IF SUCH AN AGREEMENT WERE TO BE ADOPTED IT WOULD RESULT IN A WORLD SUGAR PRICE WHICH, COMBINED WITH EXISTING VALUATIONS AND SHIPPING COSTS, WOULD REACH AT LEAST 13.5 CENTS PER POUND ON THE UNITED STATES SUGAR MARKET.

IN VIEW OF THE FOREGOING, WE REQUEST YOUR EXCELLENCY TO TRANSMIT TO YOUR GOVERNMENT OUR GOVERNMENTS' DESIRE THAT, IN VIEW OF THE FORTHCOMING NEGOTIATIONS, NO ADDITIONAL RESTRICTIONS BE IMPOSED ON SUGAR IMPORTS. IN ANY CASE, WE RESPECTFULLY URGE THE GOVERNMENT OF THE UNITED STATES OF AMERICA TO WORK TOGETHER WITH OUR GOVERNMENTS IN THE TASK OF SEEKING SOLUTIONS TO THE PROBLEM WHICH WOULD TAKE ACCOUNT OF BOTH THE INTERESTS OF UNITED STATES

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 STATE 212146

PRODUCERS AND ALSO THOSE OF THE LATIN AMERICAN AND CARIBBEAN COUNTRIES.

IT IS OUR CONTENTION THAT NON-RESTRICTIVE TREATMENT OF SUGAR CONTINUE AND THAT ALL LATIN AMERICAN AND CARIBBEAN SUGAR PRODUCERS SHOULD BE INCLUDED UNDER THE GENERALIZED SYSTEM OF PREFERENCES. (COMPLIMENTARY CLOSING). END TEXT

4. AFTER THE NOTE WAS READ, ASSISTANT SECRETARY TODMAN RESPONDED TAHT WE CAN WELL APPRECIATE THE PROBLEMS CAUSED BY PRESENT SUGAR PRICES BOTH IN THE UNITED STATES AND IN LATIN AMERICA. WE ESPECIALLY UNDERSTAND THE IMPORTANCE OF SUGAR TO MANY LATIN AMERICAN ECONOMIES.

HE THEN NOTED THAT WE WILL MAKE EFFORT TO AVOID ACTIONS WHICH WOULD HAVE AN ADVERSE EFFECT ON LATIN AMERICAN COUNTRIES. HE ALSO INDICATED THAT THE CORNERSTONE OF U.S. SUGAR POLICY IS NEGOTIATION OF AN EFFECTIVE INTERNATIONAL SUGAR AGREEMENT (ISA). WE ARE PLEASED BY THE LATIN AMERICAN OFFER TO WORK TOGETHER IN SEEKING SOLUTIONS TO THE SUGAR PROBLEM, AND HOPE THAT THEY WILL JOIN US IN A

CONSTRUCTIVE EFFORT TO ACHIEVE AN ISA IN THE NEGOTI-
ATIONS WHICH RESUME SEPTEMBER 12. IN CLOSING HE ASSURED
THE AMBASSADORS THAT THEIR CONCERN WOULD BE GIVEN FULL
CONSIDERATION. THE NOTE WOULD BE TRANSMITTED TO THE
SECRETARY AND COMMUNICATED TO THE HIGHEST LEVELS. CHRISTOHER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, DIPLOMATIC NOTES, IMPORT CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 03-Sep-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE212146
Document Source: CORE
Document Unique ID: 00
Drafter: W BURSON;EMA
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770321-0218
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770998/aaaadetv.tel
Line Count: 121
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 203bfb4d-c288-dd11-92da-001cc4696bcc
Office: ORIGIN ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 17-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1388686
Secure: OPEN
Status: NATIVE
Subject: JOINT DIPLOMITIC NOTE ON SUGAR
TAGS: ETRD, XM, XL, US
To: ARA POSTS
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/203bfb4d-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009